

In the following pages we have referenced citations from the Code of Virginia as well as the Appropriation Act and significant policy statements of the Compensation Board next to relevant text. **This section of our website establishes Compensation Board policies** and provides information to assist you in the daily operation of your offices. We hope these policy statements will help you in understanding ways in which the Board can assist you in managing your office.

Thank you for your support this past year and we look forward to working with you in the upcoming fiscal year.

Frank Drew, Chairman

Walter J. Kucharski, Member

Kenneth W. Thorson, Member

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What's New for FY04

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Compensation Board Staff Mission

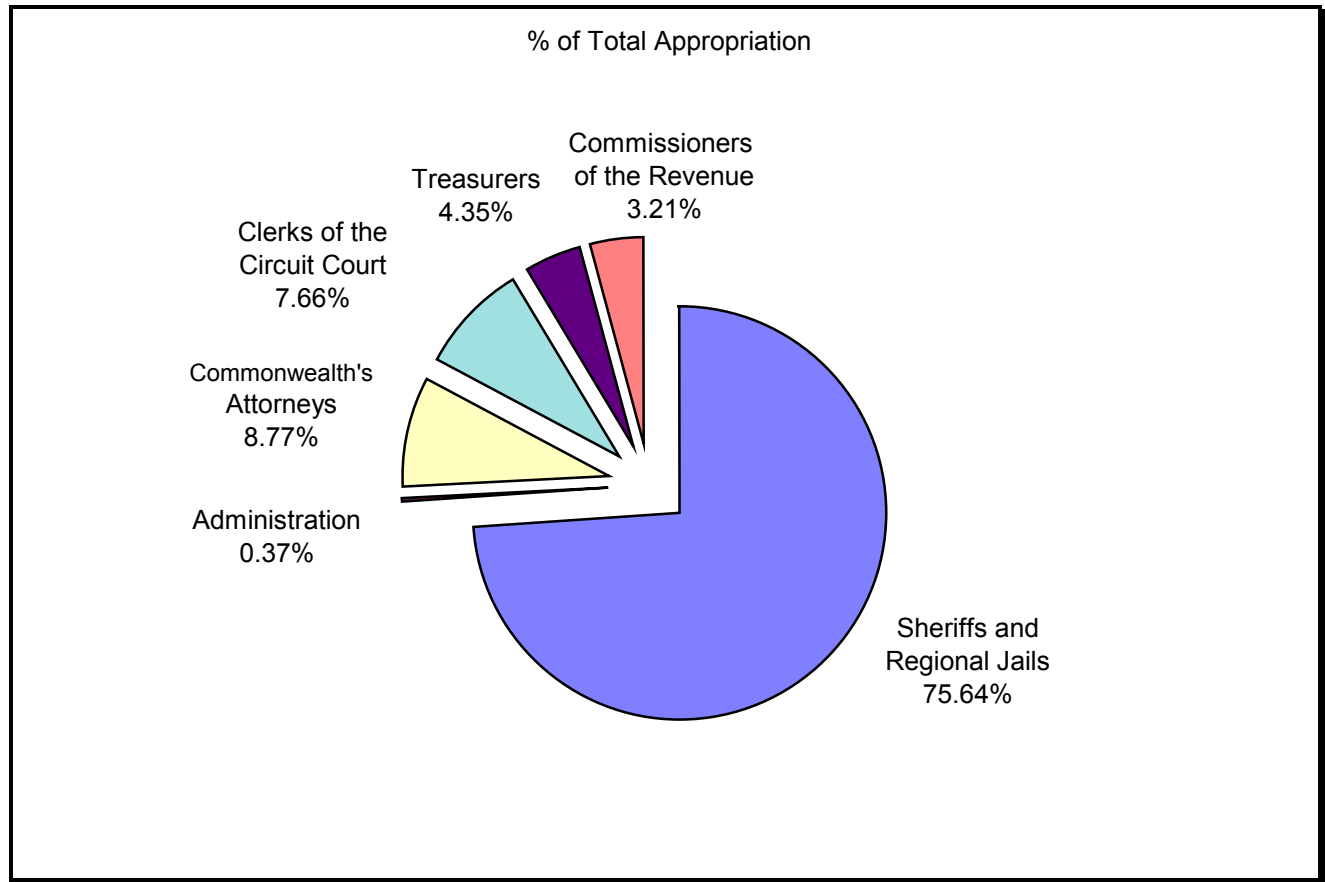
The mission of the Compensation Board staff is to professionally implement the policies and decisions of the Compensation Board; to keep Board members informed of major issues affecting Constitutional Officers; to assist local governments in issues relating to Constitutional Officers; and to provide the highest quality service and assistance to the Constitutional Officers consistent with Board policy and the laws of Virginia.



Compensation Board Policy

We recognize that Constitutional Officers are elected by the people of Virginia and that our actions and decisions are for the ultimate benefit of the people of Virginia. In providing our services to the Compensation Board, Constitutional Officers and local governments, we value accuracy and timeliness, helpfulness and courtesy, respect, integrity, fairness and frugality in the expenditure of public funds.

The Appropriation Act appropriates \$494,488,979 to the Compensation Board.
These funds are allocated as follows:



Additional Allowances

Due to budget reductions, reimbursement for some additional allowances will not be available in FY04. Please refer to the individual information provided under the headings throughout the manual for details.

The Compensation Board has approved for reimbursement the following expenses as additional allowances:

New Officer Training, New Deputy Treasurer, New Deputy Commissioner of the Revenue or New Deputy Clerk Training, Jail Management Training, Lawful Employment Training and LIDS Training
Guard Duty (Sheriffs)
Officers' Liability Insurance
Special Defense Counsel
Compensation Board Sponsored or Approved Training
Pre-employment Physicals (Deputy Sheriffs ONLY)

Accrued Annual Leave for Employees (**Funding not available in FY04**)
Attendance at professional organizations' annual meetings, VALECO and LGOC (**Funding not available in FY04**)

Compensation Board Policy

Additional allowance items are **not** part of Constitutional Officers' approved budgets, but *may* be added as a budget and expense item when a reimbursement request is submitted in compliance with the Compensation Board policy. Specific policies regarding reimbursement for each of the above additional allowance items are addressed under individual headings throughout this manual.

Annual Leave

Appropriation Act Item 63 Q

2003 Appropriation Act language was amended which states "The Compensation Board shall provide no reimbursement for accumulated vacation time for employees of Constitutional Officers".

As elected officials, **Constitutional Officers do not earn annual, sick or compensatory leave that is reimbursed by the state.**

Attendance at Professional Meetings

Due to budget reductions, reimbursement for attendance at professional organizations' annual meetings, VALECO, and LGOC will not be available in FY04.

Additional allowances have been approved for attendance at the following professional meetings:

- 1) VALECO - Virginia Association of Locally Elected Constitutional Officers Annual Meeting - Officer Only, \$200 plus mileage. **(Funding not available in FY04)**
- 2) LGOC - Local Government Officials' Conference - \$180 per person (max 2) plus mileage for 1 vehicle. **(Funding not available in FY04)**
- 3) VCCA - Virginia Court Clerks' Association Annual Meeting - \$180 per person (max 2) plus mileage for 1 vehicle. **(Funding not available in FY04)**
- 4) V&L&A - LGOC, VALECO AND Association meeting (when being claimed on one payroll) breakdown of amounts for each meeting must be reported on the "locality comment" screen. **(Funding not available in FY04)**
- 5) NOT - New Officers' Training - Reimbursable Rate to be announced.
- 6) LAWEMP - Lawful Employment Training - \$28 for meals plus mileage
- 7) NDT - New Deputy Training - Mileage only.
- 8) JMT - Jail Management Training - Reimbursable Rate to be announced.
- 9) LAC- Local Inmate Data System – Quarterly Advisory Committee meetings
- 10) LUC – LIDS Conference
- 11) LIDS – Annual LIDS Training

REIMBURSEMENT IS LIMITED TO STAFF IN COMPENSATION BOARD FUNDED PERMANENT POSITIONS.

Mileage for all meetings will be reimbursed at .325 per mile for one personal car (certification that a government owned vehicle was not available is necessary) and .19 for a locality owned vehicle. In addition, the Compensation Board will reimburse parking and tolls.

Compensation Board Policy

In order to receive reimbursement of this additional allowance your request must be filed **within 60 days** of the conclusion of the meeting or conference. This allowance may only be claimed **after** the scheduled meeting.

Request this allowance on the SNIP "Additional Allowances" screen #5. The electronic "sign off" on the reimbursement request certifies that you have met all the conditions of the Compensation Board's policy for meeting attendance.

Benefits Cafeteria Plan

Some local governments offer employees the opportunity to have insurance premiums or dependent care contributions deducted from their paycheck before taxes are taken out. Employees who have selected this option are participating in Section 125 or a "cafeteria plan".

Because these deductions are made pre-tax, the employee's taxable salary is less than it would otherwise be. When the salary paid by the locality is greater than the Compensation Board budgeted salary, the locality paid taxable salary may also be greater than the Compensation Board budgeted salary. Under this circumstance, it will not be necessary to report a "taxable" salary in SNIP.

If the locality paid salary and Compensation Board budgeted salary are the same, and the employee has pre-tax deductions, then the "taxable" salary must be reported in SNIP. You must enter the correct taxable salary amount on the SNIP permanent personnel screen. The OASDI figure will be calculated based on the taxable salary entered. Please contact your locality's payroll office for correct deduction amounts.

Once you enter the **monthly taxable salary** (gross monthly salary minus monthly amount of cafeteria plan contributions) into SNIP, that figure should be pulled forward monthly until the next salary change or change in cafeteria amount occurs for that employee. In this case, it is your responsibility to change the taxable salary amounts in the month that the change occurs. (For example, taxable salaries should be changed on your December SNIP report when the December 1 increase is approved for the officer and staff.)

To illustrate how a change in the **taxable** salary is carried forward to the OASDI deduction by SNIP, an example is provided in the Tables section of this website.

Commissioners of the Revenue, Treasurers and Directors of Finance are reimbursed by the Compensation Board at 50%. Circuit Court Clerks are reimbursed by the Compensation Board at 33 1/3% rate for fringe benefits. Refer to the office specific section to calculate the state's share of the FICA.

Budget Appeals

Appropriation Act, Item 63

For FY 04 no appeal of Compensation Board action shall lie to any circuit court. Nothing prevents a constitutional officer from appealing decisions of the local governing body.

Budget Cycle

Appropriation Act, Item 63

The Compensation Board has established a working cycle for fixing the contribution of the Commonwealth toward the budget of each office for the upcoming fiscal year. The process starts in late December when the on-line budget request is available and instructions are mailed to each officer.

Code 15.2-1636.7

Completed **Fiscal Year Budget Requests** are to be certified by the officer no later than **February 1** of each year. **Estimates** of the Commonwealth's share of your upcoming fiscal year budget will be provided to each office no later than 15 days following the adjournment of the General Assembly. Typically, this means budget estimates will be available around mid-March in odd numbered years (short sessions) or late March in even numbered years (long sessions).

Code 15.2-1636.8 and
15.2-2502

Public hearings are scheduled, usually during the second or third week of April. The Compensation Board conducts these hearings to listen to you and your local governing body with regard to any concerns or issues you have with the upcoming budget. Final Compensation Board approved budgets for the upcoming fiscal year will be mailed to each office no later than May 1.

Criminal Fund

The Virginia Supreme Court administers the fund for payment for such expenses as expert witnesses, court appointed attorneys and certain substitute prosecutors, and language interpreters.

Code 19.2-332

For information regarding allowable expenses under this program contact Mary Gilbert, (804) 786-6455 at the Supreme Court.

Delegation of Classification Authority

The Compensation Board will delegate the authority to classify positions to Constitutional Officers meeting Compensation Board criteria for this delegation. Officers who are approved for this authority would be allowed classification and compensation authority within the restraints of the Board's Maximum Rank policy and the officers' current base budget.

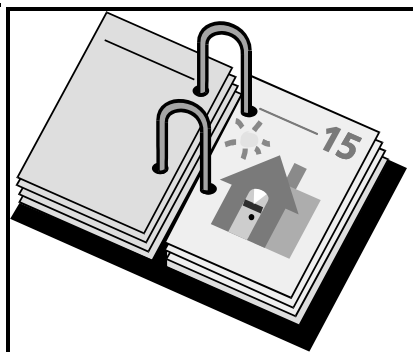
Upon annual certification by the Constitutional Officer that the classification plan in effect in his/her office meets the minimum criteria for such plans as set out by the Compensation Board, the Constitutional Officer may reallocate positions based on a thorough review of job descriptions and class specifications. The Constitutional Officer may use savings in turnover to provide for the salary increase.

The following related information can be found on the Compensation Board website:

[Certification of Position Classification Plan](#)

Delinquent Reimbursement Request Policy

The Compensation Board will not reimburse a locality or jail authority for salary, benefits resulting from personnel actions with an effective date more than **sixty** (60) days prior to a transmission of a "change of status" via the Compensation Board's automated reimbursement system.



Reimbursements denied for failure to meet the above requirements will be effective dated the first day of the month in which notification of the change of status is received by the Board.

Dismissal of Employees

Compensation Board Policy

Several state and federal laws along with numerous state and federal court decisions have limited Constitutional Officers' discretion in dismissing employees. **While all**

hiring and firing decisions are made by the Constitutional Officer, prior to dismissing an employee, Constitutional Officers should consult with their city or county attorney. Employee dismissals of Compensation Board funded permanent employees must be reported to the Compensation Board on the SNIP change of personnel status screens.

Employee Evaluation Plans

Code 15.2-1604

If you have certified to the Compensation Board that your office has an employee performance evaluation plan, you must have established a plan which provides for at least a yearly review of each employee, a written position description, and established evaluation items based on the position description. You will be asked annually, on the on-line budget system, to recertify your participation in the employee evaluation plan.

The following related information can be found on the Compensation Board website:

[Certification of Employee Performance Evaluation Plan](#)

Equipment

The Compensation Board has approved funding requests for Sheriffs and Regional Jails for the following items:

- VCIN
- Livescan

The amount shown in your approved budget has been reduced by the applicable fiscal stress factor for your locality.

No other equipment was approved in May 1 budgets; however equipment funding for all categories may be available using the new Funds Transfer Policy. Priority A (data processing equipment including digital cameras for Sheriffs, Regional Jails and Commonwealth's Attorneys) and Priority B, office machines (including video presentation equipment for Commonwealth's Attorneys and facsimile machines for Clerks) for Commonwealth's Attorneys, Sheriffs, Treasurers, Directors of Finance, and Commissioners of the Revenue. Additionally, transfers may be made to purchase Priority D (radios) equipment for Sheriffs with law enforcement responsibilities.

Fair Labor Standards Act

The Compensation Board does not budget for overtime pay. **Each Constitutional Officer is responsible for his/her compliance with all phases of the Fair Labor Standards Act (FLSA)** e.g., compensating employees for working more than 40 hours in a 7-day period (or for public safety officers more than 171 hours within a 28-day period).

As a Constitutional Officer, you must **either** have overtime paid by your local government **or** you must implement an overtime leave policy consistent with the FLSA. Unless specifically exempted, employees covered by the Act must receive overtime pay for hours worked in excess of 40 in a workweek at a rate not less than time and one-half their regular rates of pay. The Act does not require overtime pay for work on Saturdays, Sundays or holidays.

The Act applies on a workweek basis. An employee's workweek is a fixed and regularly recurring period of 168 hours – seven consecutive 24-hour periods. It need not coincide with the calendar week, but may begin on any day. Averaging of hours over two or more weeks is not permitted.

You are responsible for maintaining accurate records of hours worked by each **non-exempt (hourly)** employee for FLSA purposes.

[U.S. Department of Labor
Wage and Hour Division](#)
(804) 771-2995

Should you have questions regarding the application of the FLSA to particular situations in your office, please call the U. S. Department of Labor. You may also wish to consult with your county or city attorney to discuss overtime policy in your locality.

Family Medical Leave Act

Eligible employees must be granted up to a total of 12 workweeks of **unpaid** leave during any 12-month period for one or more of the following reasons:

- For the birth and care of the newborn child of the employee
- For placement with the employee of a child for adoption or foster care
- To care for an immediate family member
- To take medical leave when the employee is unable to work due to a serious medical condition

Under some circumstances, employees may take FMLA leave in blocks of time or by reducing their normal weekly or daily work schedule.

Upon return from FMLA leave, an employee must be restored to the employee's original job, or to an equivalent job with equivalent pay, benefits and other terms and conditions of employment. An employee's use of FMLA leave cannot result in the loss of any employment benefit that the employee earned or was entitled to before using FMLA leave.

Employees seeking to use FMLA leave are required to provide 30 day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. You may require employees to provide medical certification supporting the need for leave and periodic reports during the leave period regarding the employee's status and the intent to return to work.

You are required to maintain group health coverage, including family coverage, for an employee on FMLA leave on the same terms as if the employee continued to work. As the FMLA is a complex body of law, you may wish to consult your county or city attorney to discuss the application of the Act to specific circumstances in your office.

Fiscal Stress

Fiscal stress is a composite of a 3 variable index of a locality's stress on financial resources. The Compensation Board uses this index, as required by the Appropriation Act, to establish the Commonwealth's share in the purchase of all equipment for the offices of **all** of the Constitutional Officers, regional jails and regional drug prosecutors. Regional Jail and Drug Prosecutor stress factors are calculated based on the participating locality's stress factors; the Compensation Board uses the highest stress factor for the participating localities. Current fiscal stress factors can be found on the Compensation Board website.

Appropriation Act, Item 63

fiscal stress factor.

Equipment reimbursements will be calculated at the lesser of the requested amount or the state contract price multiplied by the localities' current

For example, a request for a PC from an officer in Floyd County at \$2,000 will result in a reimbursement calculated in the following manner:

PC requested	\$2,000
Stress Factor of Scott County	70.95%
Price X Stress	\$2,000 X 0.7095
Reimbursement Amount	\$1,419

The fiscal stress factor is **not** applied to equipment purchased with funds from the Clerks' Technology Trust Fund.

Freedom of Information Act

Constitutional officers are considered "public bodies" under "The Virginia Freedom of Information Act" and unless explicitly exempted by other Code sections, they have the obligation to disclose public records as outlined in the Act.

<u>Code 2.2-3700</u>

For further information contact Maria Everett at the [Freedom of Information Advisory Council](#) at (804) 225-3056 or outside the Richmond area, toll free at (866) 448-4100.

Fringe Benefits

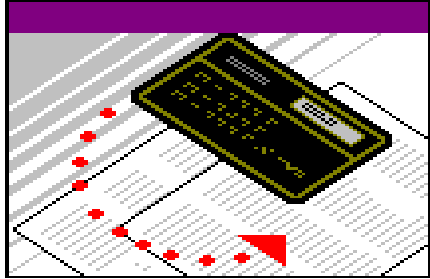
Funding was approved for the Compensation Board to reimburse local governments for fringe benefits. The maximum reimbursable VRS rate remains at 3.77% for FY04. Remember, reimbursement is based on the VRS rate approved for the locality, or 3.77%, **whichever is less**.

There will be no VRS Group Life Insurance contributions in FY04 due to a premium holiday.

OASDI rates remain unchanged at 7.65% of taxable salary. As a reminder, OASDI is calculated on the first \$87,000 of earnings **in a calendar year** at the 7.65% rate. Beyond that dollar amount the rate falls to 1.45%. The Compensation Board will change the deduction on the SNIP system as those employees or officers' salaries reach the maximum salary. Generally individual salaries reach that point in the fourth quarter of the calendar year or just before.

Fringe Benefits are reimbursable based upon total Compensation Board paid salaries. Clerks' offices receive one-third reimbursement for benefits.

Fund Transfer Requests



Vacancy savings are defined as funds accrued during the period in which a position remains unfilled. All Constitutional Officers, except Sheriffs and Regional Jails, may request to transfer vacancy savings to other budgeted categories by submitting a fund transfer request through the SNIP system.

Sheriffs and Regional Jails may request fund transfers for the following three exceptions:

- One time approval of the transfer of the annual salary amount for a year long vacancy. **This request must be made no later than June 15, 2004.**
- A transfer of the remainder of salary funds will be approved for positions held vacant under the position reallocation policy.
- A transfer of the remainder of salary funds will be approved for positions that become vacant due to a U.S. military reserve call-up.

Monies accumulated through **turnover** – the difference between the budgeted salary and the replacement salary when a position is filled – may be transferred for other use in accordance with the following policies:

- Salary increases in accordance with Board policy and delegation of classification authority
- Base transfer to Office Expense
- Base transfer to Temporary – except for Clerks, Treasurers and Commissioners offices with positions in **excess** of staffing standards (those offices are permitted a one-time transfer only)

You may make a written request of the Compensation Board to permit base transfers between Office Expenses and Temporary Salaries. Two exceptions are:

- No base transfers **from** Temporary for Clerks, Treasurers and Commissioners offices with positions **due** positions according to staffing standards (those offices are permitted a one-time transfer only)
- No base transfers to Temporary for Clerks, Treasurers and Commissioners offices with positions **in excess of** positions according to staffing standards (those offices are permitted a one-time transfer only)

Finally, one-time transfers are permitted from Temporary or Office Expenses to Equipment. However, these transfers will not appear in the base budget.

Compensation Board Policy

Transfer requests **must** be submitted by May 15th for action within the fiscal year.

Any request for transfers should occur **prior** to the expenditure of funds.

Code 15.2-2506

Neither the Compensation Board nor your local government is obligated to supplement your budget during the year.

Grievance Procedure

The Code of Virginia sets out specific guidelines for the establishment of grievance procedures for local governments. However, as a Constitutional Officer, your office is exempt from this law.

Internet Access

Base budget funding for Internet access will not be available for Sheriffs, Regional Jails, and Circuit Court Clerks in FY04. If funds are transferred to the office expense category in accordance with the FY04 Fund Transfer Policy, or if base funds become available in FY05, the following reimbursement policy will apply.

For FY00 the Compensation Board approved an annual increase to the base office expense budgets of all Constitutional Officers of \$240 per year to offset expenses of Internet access. This funding continues to be included in your base FY04 office expense budget. These funds may be used for Internet Service Provider (ISP) costs, additional line charges, or payments to your locality if they provide Internet service for you.

Leave: Holidays and Vacation

Code 15.2- 1605

Constitutional Officers must annually provide their permanent employees a minimum of two weeks paid vacation, at least seven sick days with pay and each of the legal holidays recognized by the Commonwealth.

Code 44-93

The Code of Virginia also provides for military leave for those members of any of the armed services of the United States. Those employees shall be entitled to 15 workdays per fiscal year of paid leave to perform military duties.

Payoff of Accrued Compensatory/Overtime Leave

Constitutional Officers should be aware that accrued compensatory/overtime leave by employees can result in a significant financial liability to the Constitutional Officers and/or the locality they serve. The Compensation Board has not been funded to reimburse overtime pay since 1991.

Constitutional Officers and City Managers/County Administrators should constantly monitor the accrued compensatory/overtime leave balances of employees of Constitutional Officers and take appropriate steps to ensure that amounts due departing employees for accrued compensatory/overtime leave do not result in financial liability for Constitutional Officers and/or local governments.

Although the Compensation Board will remain uninvolved in overtime scheduling or approval, a line item is available in the SNIP system to process requests for Compensation Board reimbursements for accrued compensatory/overtime leave due departing employees of Constitutional Officers.

Constitutional Officers **may** elect to transfer currently budgeted and available funds to this line item to obtain reimbursement for these non-state liabilities. Alternatively, the Constitutional Officer may elect to hold the position of the departing employee vacant until such time as sufficient funds are available to reimburse the locality for payments made. Absent either of these elections, the Compensation Board will not approve additional funding in order to reimburse for the payment of accrued compensatory/overtime leave.

Liability Insurance/Blanket Bond

The [Division of Risk Management](#) provides two types of coverage for officers and their employees. Liability insurance provides protection against claims arising against you or your employees for acts or omissions while acting in an official capacity.



The Compensation Board pays the full premium for this coverage for all officers. However, the Board must recover 50% of this expense for Treasurers and Commissioners of Revenue. This payment will be noted as a negative authorized entry to the Additional Allowances section on your July reimbursement request.

Code 2.1-526.8:1

Blanket Bond coverage is also provided through Risk Management for all officers and employees. The Compensation Board pays the premium in full for this coverage for all officers.

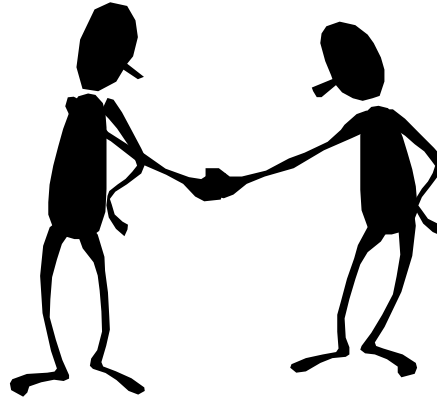
Code 2.1-526.9

A relatively new service is offered that attempts to avert litigation. This pre-litigation service seeks avenues to address problem situations within your office before legal proceedings are initiated. Should you have any questions about coverage or claims, contact the [Division of Risk Management](#) at (804) 786-3152.

Note: The [Division of Risk Management](#) shall not be liable for any claims in which the covered party fails to comply with the conditions of the plan established for Constitutional Officers. If you do not follow the procedures as set forth by the [Division of Risk Management](#), you will not be covered under the plan.

Locality Responsibility

Code 15.2-2507



Counties and cities “shall appropriate as part of its annual budget or in amendments thereto amounts for salaries, expenses and other allowances for its Constitutional Officers that are not less than those established for such offices in the locality by the Compensation Board...”.

Maximum Rank Allocation

Due to budget reductions, additional funding for maximum rank will not be available in FY04. If available within your budget, turnover funds may be used or funds may be transferred in accordance with the FY04 Fund Transfer Policy to attain maximum rank due.

The maximum rank allocation table for each office is listed in the officer specific sections of the manual.

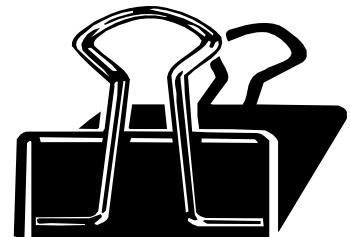
Medical/Hospitalization Insurance

Local governments are required to pay premiums for this insurance coverage for officers and their employees to the same extent as they provide it for their own employees. This expense is not reimbursable by the Compensation Board.

Code 15.2-1517

Office Expenses

Base budget office expense funding will not be available for Sheriffs, Regional Jails, and Circuit Court Clerks in FY04. If funds are transferred to the office expense category in accordance with the FY04 Fund Transfer Policy, or if base funds become available in FY05, the following reimbursement policy will apply.



In general, office expenses incurred in conducting business are reimbursable

by the Compensation Board and vary by officer. To determine which expenses are reimbursable and which are not, see your specific program section. VALECO dues for the elected officer ONLY are now considered a reimbursable expense.

Code 15.2-1639 and
15.2-1636.15

SNIP contains screens that itemize by program the **non-reimbursable** expenses. Office space must be provided by the locality and is not reimbursable by the Compensation Board.

Over Expenditures

Expenditures **must** be approved by your local governing body prior to being made. "No money shall be drawn from the treasury of the county, nor shall any obligation for the expenditure of money be incurred, except pursuant to appropriation resolutions..."

Code 15.2-520 and 15.2-827

This language requires that your budget be approved by your governing body **and** prohibits unauthorized deficits. **Neither your local government nor the Compensation Board is under any legal obligation to increase their contribution to your operating budget during the fiscal year.**

Overspending your approved budget may leave you personally liable for unapproved expenditures. If you anticipate the necessity for expenditures over and above budgeted amounts, you should request additional funds from your local governing body or the Compensation Board **prior to committing those funds.**

Pay For Performance



Pay for Performance is a management tool that ties compensation to employee performance. The Compensation Board recommends that each officer design and implement an employee evaluation plan. The General Assembly has NOT funded pay for performance salary increases for FY04.

The following related information can be found on the Compensation Board website:

[Certification of Employee Evaluation Plan](#)

Personnel Status Change (CB10)

Personnel status changes - separations, new hires, lateral transfers, promotions, demotions, reclassifications, and salary restorations - are reported on the on-line change of status screens **prior to the effective date.**

Personnel actions are reported and salary adjustments requested allowing the Compensation Board to review the request, modify it if necessary and approve or disapprove each request. Upon Board approval, each appropriate field in the SNIP system is updated to minimize data entry and to track annual leave payments and turnover and vacancy savings.

The on-line personnel status change enhancement provides a complete history of personnel changes in support of reimbursement requests, to assist in completing office budget requests and for state and local auditing. City/County Administrators are advised to periodically view the personnel status change screens to review pending and approved Compensation Board changes in personnel status.

Position Reallocation Policy

Compensation Board Policy

Vacant positions in offices in which the number of Full-Time Equivalent positions (FTE's) exceeds the position count, by one or more full positions, as set forth in the Compensation Board's staffing standards shall not be filled.

For the remainder of the fiscal year in which the vacancy occurs, those vacancy savings may be transferred within the office. Any vacant positions held open in accordance with this policy will be abolished and reallocated during the next budget cycle and will be available to be filled on or after July 1 of the following fiscal year in the office identified by the staffing standards as having the highest need.

Sheriffs' Offices Only

The position reallocation policy will be used ONLY for Law Enforcement and Court Service Deputies.

Promotions/Demotions/Reclassifications

The Compensation Board establishes a maximum rank classification for each Constitutional Officer based on population. For Sheriffs, maximum rank allocation is based on population and responsibility (jail only, jail and law enforcement, law enforcement only). You may, at any time, request the 'rank due' to your office by submitting a letter to the Board.

The Compensation Board will not honor any request for state funding for a salary increase **unless** such request is tied to a request for a promotion, reclassification, or salary restoration (See section on "Salary Restoration" for additional information).

A promotion is defined as an action placing an employee in a **vacant** position of a **higher grade**. The request should be made by completing the on-line CB Form-10 (see "Change of Status"). When requesting a promotion, a salary increase MAY also be requested. The MAXIMUM percent salary increase allowed is set forth in the following schedule:

<u>Grades Increased</u>	<u>Maximum Percent Salary Increase Allowed</u>
1	10%
2	10%
3 or more	15%

Compensation Board Policy

You **must** request both the promotion and a salary increase (if one is to be given) for the salary to be affected. All salary increases MUST be funded within your current budget unless otherwise specifically approved by the Compensation Board.

A demotion is defined as an action placing an employee in a **vacant** position of a **lower grade**. The request should be made by completing the on-line CB 10 screen. When requesting a demotion, a salary decrease MAY also be requested and is typically the same percentage as provided as an increase when that individual was promoted. The MAXIMUM salary decrease for a demotion is no more than 10%.

A reclassification is defined as an action which changes the **classification** of a position, e.g. from a SEC I to a SEC II. The position may be filled or vacant.

Any salary increase as a part of a reclassification **must** be requested on the on-line CB 10 screen from the officer and may not exceed 10%. A reclassification may be **downward** and may result in a decrease in salary of 10% per grade decreased.

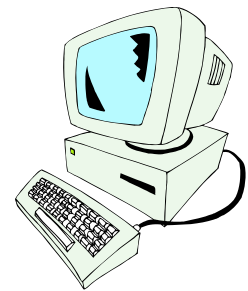
Unless the Compensation Board has delegated [position classification authority](#), all reclassification requests must be in writing and address the higher level of duties and responsibilities now assigned to the position. A current job description detailing the percentage of time each duty occupies, must accompany the reclassification request. Salary increases associated with a reclassification must be funded within your budgeted funds. Employee performance or longevity of the incumbent in the position are **not** criteria for requesting reclassification. The Compensation Board must approve all classification actions unless the Board has delegated classification authority.

Purchasing Personal Computers and Laptops: Minimum Requirements for Reimbursement

Provided that funds are budgeted, the Compensation Board will reimburse a Constitutional Officer's reasonable request for a personal computer (PC) that meets the following **minimum** specifications.

Unless the Compensation Board specifically grants a waiver*, all personal computers for which reimbursement is requested **must** meet the following minimum specifications.

- Intel Pentium IV 2.40GHz, 512K cache
- 512 MB RAM
- Plug and Play compatible flash BIOS
- 32 MB Video Card
- 1 bi-directional parallel and 2 high speed serial (UART 6250) ports
- 5 bays for I/O devices (3 exposed)
- 250-watt power supply
- 101 enhanced keyboard
- Tower or desktop case
- 48X CDRW/DVD Combo
- 16-bit Sound Blaster compatible sound card and speakers
- Network Interface Card (NIC) compatible with existing network
- 3-year on-site parts and labor service agreement



Laptops

Commonwealth's Attorneys and Sheriffs offices may request reimbursement

for a reasonable amount for laptop computers which meet the following minimum specifications:

Intel Pentium IV, 2.0 GHz-M with 14.1in. XGA Display
512Mb RAM
40GB HD storage
8-24-19024x SWDVD/CDRW Combo
56.6kbps data/fax modem
Network Interface Card

See [appendix \(1\)](#) for additional recommendations regarding PC specifications.

*NOTE: The Compensation Board will consider waiver requests for modems, tape backups, etc. for personal computers to be used in a network environment.

Record Retention

On-line processing of salary and expense reimbursements, requires that you maintain complete and accurate records of expenses for local and state audit purposes. Your submissions to the Compensation Board through SNIP will, in most instances, not require hard copy documentation.

However, it is advisable that in using the on-line reimbursement, you also re-examine your method for maintaining receipts, vouchers and other necessary documentation of your expenditures. You should consult with your local auditor to determine a record retention schedule that meets your local government's policy and audit schedule. You may also wish to consult with your city or county attorney concerning any legal implications of your record retention policy.

The SNIP system has been designed to provide each locality with access to prior fiscal year records. On-line access will be available for the most recent completed fiscal year. At the end of FY04, the data from FY02 will be removed from the active, on-line environment to make room for the data from FY05. Those reimbursement requests which are removed from the on-line environment will be stored at the Department of Information Technology.

SNIP (State Network Interface Project)

Your electronic certification signature on the SNIP reimbursement request certifies your compliance with all applicable sections of the Code of Virginia. **This certification should be completed by the 12th of each month. Failure to certify by this date equates to lost interest accruals for your locality.** Should you identify discrepancies after your certification, please contact your Compensation Board Technician immediately for assistance.



Salaries

Code 15.2-1636.8

Local governments **must** pay Compensation Board funded staff at least the salary approved by the Compensation Board.

Code 15.2-2507

Counties and cities “shall appropriate as part of its annual budget or in amendments thereto amounts for salaries, expenses and other allowances for its Constitutional Officers that are not less than those established for such offices in the locality by the Compensation Board...”.

Principal Officer Salary:

These salaries are set by the General Assembly and are set forth in the Appropriation Act. *The 2003 General Assembly approved appropriation act language to provide for a 2.25% salary increase effective December 1, 2003.*

Specific salaries, by population group and duties, from July 1, 2003 until June 30, 2004, are listed in the officer specific section.

Staff Salaries:

The 2003 General Assembly approved appropriation act language to provide for a 2.25% salary increase effective December 1, 2003.

New Hires:

The Compensation Board will set the state contribution toward the salary of a new employee not previously employed in a Compensation Board reimbursed position at not more than 10% greater than the most recent salary or the minimum salary of the grade, provided that:

- 1) **Funds are available in the officer's budget and,**
- 2) Previous job experience, duties and responsibilities are directly and recently related to the vacant position **and,**
- 3) The salary does not exceed the maximum salary of the classification of the vacant position.

Constitutional Officers should ensure that Compensation Board approval has been granted before offering a salary other than the minimum salary of the grade to a job applicant.

Temporary Salaries:

There are no provisions for an increase in salary this year.

Salary Supplements:

There is no prohibition against the local governing body supplementing the salaries of Constitutional Officers or the salaries of their staff.

Appropriation Act, Item 63

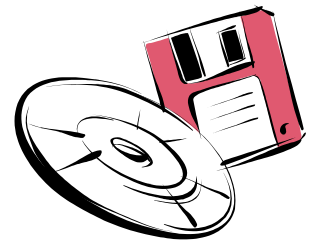
Salary Restoration

As funds become available through turnover or other base budget transfers an officer may request a partial or full salary restoration for any position affected by budget reduction through the personnel status change (CB10) process. Any salary restoration request cannot exceed the salary of the position prior to budget reduction.

Software Reimbursement Policy

Compensation Board Policy

The Compensation Board recognizes the prevalence of commercial, "off the shelf" software and the prevalence of bundling software and an operating system with a new personal computer. Reimbursement for commercially available software will be allowed as long as the following conditions are met:



1. Reimbursement must be within the office's budget.
2. Funds must be available at the time of the request.
3. Operating system or software which comes with a new PC is reimbursable as part of the total package price.
4. Software must be for legitimate business purposes.

Special Defense Counsel



Under the following guidelines, the Compensation Board may reimburse Attorney fees **not** reimbursed through the coverage by the [Division of Risk Management](#):

The defense of civil actions against a Treasurer or Commissioner of the Revenue is reimbursed at 50% of the total costs incurred.

Code 15.2-1606 and
15.2-1636.14

The defense of civil actions against a Commonwealth's Attorney, Sheriff or Clerk of the Circuit Court is reimbursed at 100% of the total costs incurred.

Expenses incurred in the defense of the principal officer and deputies or

assistants of those officers from charges arising out of the performance of their official duties, are reimbursable.

Code 15.2-1711

The defense of **criminal** charges arising out of the performance of a **sheriff's** official duties is reimbursable at two thirds of the total costs incurred if the individual is found not guilty or the charges are dropped.

A copy of the court order appointing the attorney, the reason for needing special counsel and an itemized list of expenses including miles traveled and hours worked must be filed with the Compensation Board.

Compensation Board Policy

Reimbursement *must* be requested *no later than* the month following the payment by the locality.

Staffing Standards

Based upon the recommendations of the Constitutional Officer Associations, the Compensation Board has approved workload based staffing standards for the allocation of new positions for all Constitutional Officers. The Treasurers' Association of Virginia, the Virginia Court Clerks' Association, the Virginia Sheriffs' Association and the Commissioners of the Revenue Association of Virginia have appointed audit committees to verify the accuracy of workload data submitted. Current standards are found in the officer specific section of the manual.

Compensation Board Policy

Vacancy of Principal Officer Position

A vacancy in any elected constitutional office shall be filled by special election. Within fifteen days of the occurrence of a vacancy, the governing body shall petition the circuit court to issue a writ of election.

Code 24.2-228.1

A special election to fill the vacancy shall be held promptly, however, no special election shall be held if the general election is scheduled within sixty days. During the period that the vacancy exists, the highest-ranking deputy shall perform the duties of the office.

Compensation Board Policy

When such a vacancy occurs and the highest ranking deputy assumes the duties and responsibilities of the principal officer a CB-10 must be completed to move the deputy into the officer's position in order for the deputy to receive the appropriate Compensation Board salary. Until the election is held and a new officer is sworn in, the position the deputy previously was in, is NOT considered as vacant and neither turnover nor vacancy monies accrue.

Vacant Positions

Constitutional Officers are required to advertise vacancies within their office "... in a newspaper having general circulation or a state or local government job placement service..."

Code 15.2-1604

After the selection process has been completed, the officer may offer the minimum salary of the salary grade of the vacant position or the budgeted salary, whichever is less, without review by the Compensation Board.

It is the responsibility of the Compensation Board to set the level of state contribution toward salaries of all permanent staff of Constitutional Officers. In order to carry out this task, the Board requires justification, submitted on-line, in order to approve a beginning salary rate **in excess of the minimum salary of the salary grade.**

Code 15.2-1636.8

You should obtain Compensation Board approval of the request on the on-line CB Form-10 **prior to** offering a salary that exceeds the minimum salary of the grade.

Worker Compensation Claims

In instances where an employee receives benefits from Worker's Compensation while remaining on the Compensation Board payroll, the payroll officer or local treasurer must ensure that those funds are returned to the Commonwealth.

This can be accomplished by sending either the original worker's compensation benefits checks or a check drawn on the locality for the amount the employee received, directly to the Compensation Board.

[Virginia Workers'
Compensation Commission](#)
(804) 367-8600

Permanent payroll expenditure amounts will be reduced by this credit and those dollars may be made available for other uses by the Constitutional Officer upon request to the Compensation Board.

Year End Procedures

The end of the fiscal year (June 30) is busy for both the Constitutional Officer and the staff of the Compensation Board. In order to closeout the year as quickly and cleanly as possible, keep these items in mind.

- 1) All requests for transfer of funds must be received by the Compensation Board no later than **May 15** in order to ensure processing within the current fiscal year.
- 2) Be aware that your office will have to complete both the May and the June payroll and expenditure requests in the month of June.
- 3) Budgeted funds not spent within the current fiscal year **do not** carryover into the next fiscal year.

APPENDICES

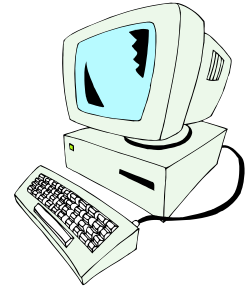
Appendix 1

Purchasing Personal Computers: Minimum Requirements for Reimbursement

Unless the Compensation Board specifically grants a waiver*, all personal computers for which reimbursement is requested **must** meet the following minimum specifications.

Desktops

Intel Pentium IV 2.40GHz, 512K cache
512 MB RAM
Plug and Play compatible flash BIOS
32 MB Video Card
1 bi-directional parallel and 2 high speed serial (UART 6250) ports
5 bays for I/O devices (3 exposed)
250-watt power supply
101 enhanced keyboard
Tower or desktop case
48X CDRW/DVD Combo
16-bit Sound Blaster compatible sound card and speakers
Network Interface Card (NIC) compatible with existing network
3-year on-site parts and labor service agreement



Laptops

Commonwealth's Attorneys and Sheriffs offices may request reimbursement for a reasonable amount for laptop computers, which meet the following minimum specifications:

Intel Pentium IV, 2.0 GHz-M with 14.1in. XGA Display
512Mb RAM
40GB HD storage
8-24-19024x SWDVD/CDRW Combo
56.6kbps data/fax modem
Network Interface Card

Appendix 2

Reimbursement Policy Matrix COMPENSATION BOARD REIMBURSEMENT PERCENTAGES, FY04

	SHERIFFS	REGIONAL JAILS	COMMONWEALTH'S ATTORNEYS	DRUG PROSECUTORS
OFFICERS SALARY	100% of amount set out in the Appropriation Act	N/A	100% of amount set out in the Appropriation Act	N/A
EMPLOYEES SALARIES	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount
MEDICAL/RECORDS/TREATMENT SALARIES	66.66% of Compensation Board approved amount	66.66% of Compensation Board approved amount	N/A	N/A
PART-TIME (HOURLY WAGE) SALARIES	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount
OFFICE EXPENSE	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount
OFFICE EQUIPMENT	100% of Compensation Board approved amount. (fiscal stress factor is applied to all requests prior to approval)	100% of Compensation Board approved amount. (fiscal stress factor is applied to all requests prior to approval) (Note 1)	100% of Compensation Board approved amount. (fiscal stress factor is applied to all requests prior to approval)	100% of Compensation Board approved amount. (fiscal stress factor is applied to all requests prior to approval) (Note 1)
APPROVED CONFERENCE AND MEETING EXPENSE	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount	100% of Compensation Board approved amount
VRS RETIREMENT ON SALARIES OF OFFICERS & PERMANENT EMPLOYEES	Employers share based on locality rate, not to exceed 3.77%.	Employers share based on locality rate, not to exceed 3.77%. (Note 2)	Employers share based on locality rate, not to exceed 3.77%.	Employers share based on locality rate, not to exceed 3.77%. (Note 2)
FICA ON SALARIES OF OFFICERS & PERMANENT EMPLOYEES	7.65% of salary payable by Compensation Board up to \$87,000, and 1.45% of salary above \$87,000.	7.65% of salary payable by Compensation Board up to \$87,000, and 1.45% of salary above \$87,000.	7.65% of salary payable by Compensation Board up to \$87,000, and 1.45% of salary above \$87,000.	7.65% of salary payable by Compensation Board up to \$84,900, and 1.45% of salary above \$84,900.
VRS INSURANCE ON SALARIES OF OFFICERS & PERMANENT EMPLOYEES	0% of salary payable by Compensation Board	0% of salary payable by Compensation Board	0% of salary payable by Compensation Board	0% of salary payable by Compensation Board
FICA ON PART-TIME (HOURLY WAGE) EMPLOYEES	7.65% of wages payable by the Compensation Board	7.65% of wages payable by the Compensation Board	7.65% of wages payable by the Compensation Board	7.65% of wages payable by the Compensation Board

Note 1 - The highest fiscal stress factor of a member jurisdiction will be used when applied to equipment requests from Regional Jail Superintendents and Drug Prosecutors.

Note 2 - The VRS rate of the locality acting as fiscal agent will be used when applied to salaries payable by the Compensation Board for Regional Jails and Drug Prosecutors.

COMPENSATION BOARD REIMBURSEMENT PERCENTAGES, FY04

	CLERKS	TREASURERS & DIRECTORS OF FINANCE (Note 3)	COMMISSIONER OF THE REVENUE
OFFICERS SALARY	100% of the amount set out in the Appropriation Act	50% of the 1980 amount, and 100% of all state funded increases thereafter	50% of the 1980 amount, and 100% of all state funded increases thereafter
EMPLOYEES SALARIES	100% of Compensation Board approved amount	50% of Compensation Board approved amount	50% of Compensation Board approved amount
MEDICAL/RECORDS/ TREATMENT SALARIES	N/A	N/A	N/A
PART-TIME (HOURLY WAGE) SALARIES	100% of Compensation Board approved amount	50% of Compensation Board approved amount	50% of Compensation Board approved amount
OFFICE EXPENSE	100% of Compensation Board approved amount	50% of Compensation Board approved amount	50% of Compensation Board approved amount
OFFICE EQUIPMENT	100% of Compensation Board approved amount	33.33% of Compensation Board approved amount (fiscal stress factor is applied to all requests prior to approval)	33.33% of Compensation Board approved amount (fiscal stress factor is applied to all requests prior to approval)
APPROVED CONFERENCE AND MEETING EXPENSE	100% of Compensation Board approved amount	50% of Compensation Board approved amount	50% of Compensation Board approved amount
VRS RETIREMENT ON SALARIES OF OFFICERS & PERMANENT EMPLOYEES	1/3 of Employers share based on locality rate, not to exceed 3.77%	Employers share based on locality rate, not to exceed 3.77%.	Employers share based on locality rate, not to exceed 3.77%.
FICA ON SALARIES OF OFFICERS & PERMANENT EMPLOYEES	1/3 of 7.65% of salary payable by Compensation Board up to \$87,000, and 1.45% of salary above \$87,000.	7.65% of salary payable by Compensation Board up to \$87,000, and 1.45% of salary above \$87,000.	7.65% of salary payable by Compensation Board up to \$87,000, and 1.45% of salary above \$87,000.
VRS INSURANCE ON SALARIES OF OFFICERS & PERMANENT EMPLOYEES	0% of salary payable by Compensation Board	0% of salary payable by Compensation Board	0% of salary payable by Compensation Board
FICA ON PART-TIME (HOURLY WAGE) EMPLOYEES	1/3 of 7.65% of wages payable by the Compensation Board	7.65% of wages payable by Compensation Board	7.65% of wages payable by Compensation Board

Note 3 - City Treasurers who neither collect nor disburse local taxes or revenues are funded entirely by the Commonwealth. Lynchburg, Galax, and Richmond City are 100% reimbursed by the Commonwealth in all categories. City Treasurers who disburse local revenues but do not collect the same are funded in the proportion of one-third by the city and two thirds by the Commonwealth in most categories. Williamsburg and Danville are reimbursed 66.66% by the Commonwealth for salaries and expenses, and 33.33% for equipment. (Code of Virginia, §15.2-1636.14)